

MONTANA LEGISLATIVE HISTORY

Chapter 207 1985

Bill H _____ S 225 Original bill & history ____C

H. Committee on State Administration S. Committee on State Administration

Hearing Date(s) Mar 15 ☒ C

_____ C

_____ C

_____ C

Date Out Mar 15 ☒ C

Hearing Date(s) _____ C

No Senate _____ C

minutes for this _____ C

bill could be _____ C

located. _____ C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____

Report _____

SENATE FINAL STATUS

3/18	COMMITTEE REPORT-BILL CONCURRED		
3/20	2ND READING CONCURRED	73	4
3/22	3RD READING CONCURRED	96	2

RETURNED TO SENATE
3/27 SIGNED BY PRESIDENT
3/28 SIGNED BY SPEAKER

3/28 TRANSMITTED TO GOVERNOR
4/01 SIGNED BY GOVERNOR
CHAPTER NUMBER 271 EFFECTIVE DATE: 7/01/85

SB 224 INTRODUCED BY VAN VALKENBURG, CHRISTIAENS, ET AL.
RAISING THE BOARD OF HOUSING BOND LIMIT TO
\$975 MILLION
BY REQUEST OF DEPARTMENT OF COMMERCE

1/22	INTRODUCED		
1/23	REFERRED TO FINANCE & CLAIMS		
1/28	FISCAL NOTE REQUESTED		
1/30	HEARING		
1/31	COMMITTEE REPORT-BILL DO PASS		
2/02	2ND READING PASS	46	0
2/02	FISCAL NOTE RECEIVED		
2/05	3RD READING PASS	42	4

TRANSMITTED TO HOUSE
2/27 REFERRED TO BUSINESS & LABOR
3/15 HEARING
3/18 COMMITTEE REPORT-BILL CONCURRED
3/22 2ND READING CONCURRED 81 5
3/25 3RD READING CONCURRED 92 8

RETURNED TO SENATE
3/30 SIGNED BY PRESIDENT
4/03 SIGNED BY SPEAKER

4/05 TRANSMITTED TO GOVERNOR
4/10 SIGNED BY GOVERNOR
CHAPTER NUMBER 403 EFFECTIVE DATE: 4/10/85

SB 225 INTRODUCED BY JACOBSON
EXEMPTS UNIVERSITY SYSTEM FROM CERTAIN DATA
PROCESSING LAWS, WITH EXCEPTION
BY REQUEST OF MONTANA UNIVERSITY SYSTEM

1/22	INTRODUCED		
1/23	REFERRED TO STATE ADMINISTRATION		
2/11	HEARING		
2/11	COMMITTEE REPORT-BILL DO PASS		
2/13	2ND READING PASS	50	0
2/15	3RD READING PASS	49	0

TRANSMITTED TO HOUSE
2/27 REFERRED TO STATE ADMINISTRATION
3/15 HEARING
3/15 COMMITTEE REPORT-BILL CONCURRED
3/19 2ND READING CONCURRED 92 4
3/21 3RD READING CONCURRED 95 2

SENATE FINAL STATUS

RETURNED TO SENATE
 3/26 SIGNED BY PRESIDENT
 3/26 SIGNED BY SPEAKER

 3/26 TRANSMITTED TO GOVERNOR
 3/29 SIGNED BY GOVERNOR
 CHAPTER NUMBER 207 EFFECTIVE DATE: 7/01/85

SB 226 INTRODUCED BY JACOBSON
 GENERALLY REVISE HEARING AID DISPENSER LAW

1/22 INTRODUCED
 1/23 REFERRED TO PUBLIC HEALTH, WELFARE & SAFETY
 1/28 FISCAL NOTE REQUESTED
 2/01 HEARING
 2/02 FISCAL NOTE RECEIVED
 2/07 COMMITTEE REPORT-BILL PASS AS AMENDED
 2/11 2ND READING PASS 50 0
 2/13 3RD READING PASS 50 0

TRANSMITTED TO HOUSE
 2/27 REFERRED TO BUSINESS & LABOR
 3/08 REREFERRED TO HUMAN SERVICES & AGING
 3/15 HEARING
 3/18 COMM REPORT-BILL CONCURRED AS AMENDED
 3/20 2ND READING CONCURRED 57 20
 3/22 3RD READING CONCURRED 87 11

RETURNED TO SENATE WITH AMENDMENTS
 3/27 2ND READING AMENDMENTS CONCURRED 50 0
 3/29 3RD READING AMENDMENTS CONCURRED 49 0
 3/30 SIGNED BY PRESIDENT
 4/03 SIGNED BY SPEAKER

4/05 TRANSMITTED TO GOVERNOR
 4/10 SIGNED BY GOVERNOR
 CHAPTER NUMBER 404 EFFECTIVE DATE: 10/01/85

SB 227 INTRODUCED BY TOWE, SIMON, REGAN, ET AL.
 REQUIRES NOTICE OF USE OF SULFITE BY RESTAURANTS AS
 FOOD PRESERVATIVE

1/22 INTRODUCED
 1/23 REFERRED TO PUBLIC HEALTH, WELFARE & SAFETY
 2/06 HEARING
 2/09 ADVERSE COMMITTEE REPORT 49 1
 2/09 BILL KILLED

SB 228 INTRODUCED BY BOYLAN, ELLERD, ASAY, CRIPPEN
 ALLOW WAIVER OF SECURITY ON CONSTRUCTION CONTRACTS
 UNDER \$25,000
 BY REQUEST OF GOVERNOR'S STATE BUILDING
 CONSTRUCTION ADVISORY COUNCIL

1/22 INTRODUCED
 1/23 REFERRED TO STATE ADMINISTRATION
 2/06 HEARING
 2/11 COMMITTEE REPORT-BILL PASS AS AMENDED 49 1
 2/13 2ND READING PASS 46 3
 2/15 3RD READING PASS

asked the Committee to pass SB 229 with the amendment.

Denzel C. Davis, Vice president of Vulk Construction Company, said they were a little bit undecided about the preference law. He said to either go to a reciprocal situation or leave the law as it stands and eliminate the 3% preference.

Bill Lannan, University System, supported the original bill that was introduced and agreed with Mr. Olsen and the proposed amendment.

DISCUSSION OF SENATE BILL NO. 229: Rep. Jenkins asked how a company could move everything, equipment, etc. into Montana and still underbid Montana contractors. Mr. Davis said he couldn't really address that.

Rep. Peterson, wanting to be clear on the 3% preference, asked if out-of-state bidders would be the same preference as if our contractors were going out of state, to which the answer was affirmative.

Rep. Fritz asked how many contractors bid out of state. Mr. Fenderson said that was hard to answer but approximately 5 or 6 of the larger contractors and this would vary from year to year.

In closing, Sen. Boylan said this bill was recommended by the Governor's Council. Chairman Sales asked Sen. Boylan his feelings about the amendments to which Sen. Boylan said he didn't know what the feeling of the Senate would be.

CONSIDERATION OF SENATE BILL NO. 225 AND 358: Sen. Judy Jacobson, Senate District #36, explained these two bills at the same time as they both are doing the same thing only for two different state agencies. They have been trying to get a handle on the data processing equipment that is being purchased through state agencies and have this all run through the central computer. There are times when the University System has data processing that does not impact the central system, as does the office of public instruction. If these agencies purchase equipment that does not impact the central system they would not have to run it through the department of administration. SB 225 covers the University System and SB 358 the OPI but the bills do the same thing.

PROPONENTS: Mike Trevor, Department of Administration, supported the bills. His office is responsible for signing off on this equipment authorization and this would limit their responsibility to only those items that need to be looked at for compatibility reasons.

Paul Dunham, University System, also was in support of the two bills.

OPPONENTS: There were no opponents to the bills.

There being no questions from the Committee members, Sen. Jacobson closed her presentation.

CONSIDERATION OF SENATE BILL NO. 205: Sen. Chris Christiaens, Senate District #17, said this bill was introduced at the request of the Coal Board and that he had served on the Coal Tax Oversight Committee. The Coal Board members are not designated as a quasi-judicial board and cannot receive any compensation for serving on the board. By statute, the governor is required to appoint two members with experience in education and one with experience in public administration, consequently four of the seven are unable to be compensated for their service. These members are outlined in the statutes as how the Board is to be made up and this bill would eliminate this discriminatory practice.

PROPOSERS: There were no proponents.

OPPONENTS: There were no opponents.

DISCUSSION OF SENATE BILL NO. 205: Rep. Holliday stated that three of the seven members are receiving \$50 per day and four are not and the chairman is not being paid because he is an elected county official from her district.

Rep. Harbin remarked that there was no fiscal note with the bill. Sen. Christiaens said there would be no cost to the general fund as it is already budgeted for in the Coal Board.

There being no further questions, without further comment, Sen. Christiaens closed his presentation and told the Chairman that Rep. Asay would carry the bill.

The Committee then went into executive session.

DISPOSITION OF SENATE BILL NO. 205: Rep. Pistoria moved that SB 205 BE CONCURRED IN, seconded by Rep. Smith. Motion CARRIED UNANIMOUSLY. Rep. Asay will carry the bill.

DISPOSITION OF SENATE BILL NO. 358: Rep. O'Connell moved that SB 358 BE CONCURRED IN, seconded by Rep. Fritz. The motion CARRIED UNANIMOUSLY. Rep. Peterson will carry the bill.

DISPOSITION OF SENATE BILL NO. 225: Rep. O'Connell moved that SB 225 BE CONCURRED IN, seconded by Rep. Garcia. The motion CARRIED UNANIMOUSLY. Rep. Peterson will carry the bill.

DISPOSITION OF SENATE BILL NO. 229: Rep. Garcia moved ADOPTION OF THE AMENDMENTS to put the bill back to its original version. The motion CARRIED UNANIMOUSLY.

DAILY ROLL CALL

State Administration COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 3/15/85

NAME	PRESENT	ABSENT	EXCUSED
Chairman Walter Sales	/		
V-Chairman Helen O'Connell	/		
Campbell, Bud	/		
Compton, Duane	/		
Cody, Dorothy	/		
Fritz, Harry	/		
Garcia, Rodney	/		
Hayne, Harriet	/		
Harbin, Raymond	/		
HolliDay, Gay	/		
Jenkins, Loren	/		
Kennerly, Roland	/		
Moore, Janet	✓		
Nelson, Richard	✓		
Peterson, Mary Lou	/		
Phillips, John	/		
Pistoria, Paul	/		
Smith, Clyde	✓		

STANDING COMMITTEE REPORT

March 15

19 25

MR. SPEAKER

We, your committee on State Administration

having had under consideration Senate Bill No. 225

Third reading copy (Blue)
color

EXEMPTS UNIVERSITY SYSTEM FROM CERTAIN DATA PROCESSING LAWS,
WITH EXCEPTION

Respectfully report as follows: That Senate Bill No. 225

BE CONCURRED IN

WALTER R. SALES



THE MONTANA UNIVERSITY SYSTEM

33 SOUTH LAST CHANCE GULCH
HELENA, MONTANA 59620-2602

(406) 444-6570

COMMISSIONER OF HIGHER EDUCATION

January 14, 1985

MEMORANDUM

TO: Senator Judy H. Jacobson

FROM: Paul C. Dunham *Paul*
Director, Research and Services

SUBJECT: Background information on bill to amend Section 2-17-502, MCA, regarding acquisition of computing equipment and services within the University System

The Legislative Auditor has a team which is undertaking Electronic Data Processing performance audits of agency operations, including those in the Montana University System.

In its EDP audit report entitled, "Acquisition and Disposal of Data Processing Equipment and Software", dated March 16, 1984, university system requisition processing was discussed. The Legislative Auditor states:

"WE RECOMMEND THE DEPARTMENT OF ADMINISTRATION SEEK LEGISLATION TO AMEND SECTION 2-17-501, MCA, TO DELEGATE THE REVIEW AND APPROVAL OF UNIVERSITY SYSTEM SPECIFICATIONS TO THE UNIVERSITY SYSTEM WHEN NO COMPATIBILITY WITH THE CENTRAL COMPUTER SYSTEM IS REQUIRED."

The primary reason for the recommendation is that the majority of requisitions require compatibility with university system computer systems and not with the central computer network in Helena. In practice, the Director of Information Services Division had relied upon the advice of the university system in any event. The change is intended to provide a more effective process by having the review undertaken in the Office of the Commissioner of Higher Education. The bill is intended to implement the Auditor's recommendation.

The Department of Administration concurs in the recommendation and the Legislative Auditor's staff is prepared to testify in favor of the change.

Senator Jacobson
January 14, 1985
Page 2

A copy of the pertinent pages from the Auditor's report is attached.

If I can provide any additional background information, please let me know.

PCD:sg

Attachment

xc: Irving E. Dayton
John Noble
Richard Varner
Mike Trevor

Administration has delegated the review and approval process to the administrator of the Computer Services Division (CSD).

Delegated Purchasing Authority

Our review disclosed an instance where the Purchasing Division delegated purchasing authority to an agency. The review of specifications required by section 2-17-501, MCA, was not performed.

In that instance, the Purchasing Division informally delegated purchasing authority to the Workers' Compensation Court. The person handling the purchase for the Court stated she was unaware of the approval requirement. Since the Purchasing Division is considering delegation of additional purchasing authority to agencies, this situation may also occur in the future. The Purchasing Division should establish procedures to ensure all appropriate requisitions are approved by CSD. The Purchasing Division administrator stated they plan to include a notice of the requirement for approval in their written delegation agreement.

RECOMMENDATION #10

WE RECOMMEND THE PURCHASING DIVISION ESTABLISH PROCEDURES, WHEN DELEGATING PURCHASE AUTHORITY, TO ENSURE SPECIFICATIONS ARE REVIEWED AND APPROVED AS REQUIRED BY SECTION 2-17-501, MCA.

University System Requisitions

Most of the instances of possible non-compliance with the approved requirements of section 2-17-501, MCA, related to requisitions submitted by the university system. The Computer Services Division (CSD) delegated to the university system the authority to determine whether an acquisition was subject to CSD's review as an administrative acquisition. Our review indicates the university system has interpreted the law liberally. Thus, there is a question whether CSD should have reviewed some of the acquisitions which it did not.

A majority of the requisitions submitted by the university system require compatibility with university system computer systems, and not with the central computer network in Helena. The administrator of CSD indicated he relies on the university computer center directors when performing the review. CSD review and approval seems appropriate only for items requiring compatibility with the central computer system. It would be more appropriate to require an employee of the university to review and approve university system requisitions which do not require central system compatibility.

We believe the Department of Administration should seek a change in the law allowing the Office of the Commissioner of Higher Education to perform the review and approval of university system data processing requisitions when no compatibility with the central computer system in Helena is required. Such a change would remove much of the possibility for non-compliance and provide a more effective and efficient review process.

RECOMMENDATION #11

WE RECOMMEND THE DEPARTMENT OF ADMINISTRATION SEEK LEGISLATION TO AMEND SECTION 2-17-501, MCA, TO DELEGATE THE REVIEW AND APPROVAL OF UNIVERSITY SYSTEM SPECIFICATIONS TO THE UNIVERSITY SYSTEM WHEN NO COMPATIBILITY WITH THE CENTRAL COMPUTER SYSTEM IS REQUIRED.

ADEQUACY OF TIME FOR BID PREPARATION

To ensure the state of receiving accurate bids from vendors, enough time has to be allowed each bidder to reasonably develop a quote. Eight out of ten vendors we contacted indicated time allowed for bid preparation was inadequate.

We examined twenty price request files and found the average number of days given to vendors by Purchasing was nineteen and one-half. This time period included time in the mail and non-working days (weekends and holidays). With time in mail and non-working days excluded, average time allowed was eight and

VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

DATE _____

SPONSOR

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.